योग बढ़ाया जाए । कुछ हद तक आज जैसे ये कारखाने हैं उसमें बढ़ सकता है उस हद के आगे सुधार लाने के लिये आवश्यक है कि आधुनिकीकरण हो । उसमें पैसा लगाया जाए तब उसमें सुधार पूरी तरह से आ सकता है । इसकी भी योजनाएं बनन रही हैं । भिलाई और बोकारो में इस वक्त एक्सपेंशन चल रहा है । राउरकेला और दुर्गापुर में आधुनिकीकरण की योजनाएं हैं और 'इसको' को भी अगर पैरों पर खड़ा करना है तो उसका पुनरुद्धार करना होगा ।

SHRI INDRADEEP SINHA: Sir I would like to know the Government's understanding or appreciation of the credentials of the World Bank to advise our country on the question of modernisation of steel plants, because it is well-known that the World Bank has been advising our country that we should "deemphasise" steel, not go for expansion of the steel industry but rather turn our attention from steel to some other ithings. For example, "rural oriented growth" "export oriented growth", are the slogans we have been getting from the World Bank. So, wether there-is any technology in which the World Bank has specialised which is not known to our technicians and engineers. Whether the Government of India is going in for the World Bank advice for the sake of technology or funds? Before going in for World Bank advice, wether the Government have decided that they will not allow our steel industry to be sabotaged by the World Bank simply because they advance us some loan ?

SHRI K. C. PANT: We are interested in financing the growth of our steel industry. If the World Bank gives us money on the terms which we accept then we will accept it. So far as their advice is concerned, they are bankers and presumably they are interested in the industries which they invest in any country. So,if they want to give us their opinion, if they want to give us their recommendations, they are free to do so. It is for us to see whether to accept them or not and we shall view it according to our national in terest. •

SHKI INDRADEEP SINHA: Sir he has not answered one part.

MR . CHAIRMAN: No he has answered it very well.

**Private sector entry in steel production**

84. SHRI K. MOHANAN: -f-SHRI NIRMAL CHATTERJEE : Will the Minister STEEL AND MINES be pleased to state:

(a) whether Government have decided to permit private sector entry into the steel production by taking steel out of the Schedule-A of the Industrial Policy Resolution; and

(b) if so, what are the reasons therefor and when was the decision taken and at what level ?

THE MINISTER OF STEEL AND MINES (SHRI K. C. PANT):
(a) No, Sir.

(b) Dose not arise.

SHRI K. MOHANAN : Sir, I do not know wheather there is any meaning in the 'yes' or 'no' no answer of this Government because they are saying something yes today and the next moment, they are going exactly against that. But, here, my question is that I would like to know from the Government whether there is any serious proposal from the any Ministry of steel, to take the Steel industry from Schedule A of the 1965 Industrial Policy Resolution and whether the proposal mooted from the Steel Ministry is under the consideration of the Government.

SHRI K. C. PANT : Sir, this I could easily answer by saying 'no' and end the matter. But in fairness [1] to my honble Member I think. I should explain to him the change

4-The question was ; auctually «*ed. I on the floor of House by Shri K. Moh-man

that has been brought about in the drection of growth of the Steel Industry which lies at the back of this question being raised. Earlier the integrated steel plants were large steel plants and these required a lot of capital. Today also they require thousands of crores of rupees each now progressively, the steel melting processes are being developed. Smaller units are coming up which require smaller amounts of money. Secondly, our coking coal posed a problem which I mentioned earlier. Now the sponge iron route does not require any coking coal. You can do it with non-coking coal also. You can produce sopnge iron and from which you can then produce steel. So,possibility of dispersing these units in areas which are far remote from the present steel plant areas, from the present location of steel industries also become a possibility. Therefore, while looking at all diese possibilities and what decision we take, we will have to consider later on. How to go about it. But to the extent that the Planning Commmsion and the Plan provides money for the steel Industry in the Public sector. We are going to do everthing in the public sector but the gap will have to be met and so a point may come when we will have to consider all these options, keeping in mind whether to imoort steel or to allow steel to be manufactured in the country. Keeping in view the resource position in mind. I will not give you an evasive answer. I will give you a full answer.

SHRI K. MOHANAN : Sir, I am thankful to the Minister because what exactly I want to get from him, he has supplied to me that this possibility of opening the gate to the private sector to the steel industry is there. That is the content of this anwer. That is what exactly I wanted to know. Also it was estimated that by the end of this century, the shotfall in our steel production, not steel production, exactly, the gap between demand and producticn will be between 8 to 10 million tonnes. There is a proposal for two new steel plants, one is at Diatary and the other is at Vijaynagar.

In the. Seventh Plan the allocation for these two public segtor steel plants is only a token of Rs. 10 crores each. And in the case of Vizag, the allocation has been slashed down to Rs. 2,500 crores from the estimated demand of Rs. 4,000 crores. In this background, the steel production by the end of the century, before you take us to the 21st century, will not bridge the gap. And in this Context I have put the question. What does the Government propose to do to bridge the gap of 8 to 10 million tonnes, of steel by the end of this century ?

SHRI K. G. PANT : Sir, so far as the first question is concerned, it is not as though the Government is today making these changes in the induatrial policy. The iron and steel industry is in Schedule A, and has-been so right from the beginning. Now the provisions of the Industrial Policy Resolution 1956 in regard to iron and steel were reviewd a number of times during the period 1956 to 1963 and relaxations have been allowed in the interest of the steel industry and the national economy as per the details below. I won't give all the details. Some are relating to pig iron. But in; relation to steel, the following relaxations in the provisions of the Industrial Policy Resolution 1956 were made in March 1959; one, elctric furnaces to be set up for the manufacture of special steel products, the exixting rerolling millls to put up electric furnaces for making ingots and pellets. So I do not thing my friends has made any new discovery, and I do not want to give him a fals sense of satisfaction.

SHRI K. MOHANAN : Nothing new, This is an era of privatisation. And that is why I am asking.

SHRI. K. G. PANT : No. I think if he reads my answer tommorrow carefully, he will see exactly what I have said. So far as filling up of the gap by the turn of the century is concerned, it is a little way off. But we will have to think of all the various

possibilities for filling up that gap. And that is why I said that one would like to fill up that gap through our present plants, through expansions and so on. If we get more money, Then we will certaily try new plants. But a new plant is very costly. Vizag is a very costly plant. He mentioned Rs. 2,500 crores, Rs. 4,000 crores and so on. Now we are talking of Rs. 6,000 croresor Rs. 7,000 crores for a steel plant, which will go to Rs. 10,000 crores. Whether it would be better to put Rs. 10,000 crores in one steel plant or to have a number of steel plants dispersed all over the country is something to which my friend also will have to apply his mind.

MR. CHAIRMAN : Mr. Nirmal Chatterjee, be very quick because lime is running out.

SHRI NIRMAL CHATTERJEE : Sir, the situation is very jntersting. When the integrated steel plant immediately after independence were take in the public sector the argument was that the private sector did not have enough funds and the public sector had. The situation in the course of the last three Plan period is exactly the reverse. Now the Public sector does not have enough funds for the steel sector. It seems that our expectation is that the private sector can fork out a few thousand crore of rupees. That is the development in terms of our planning. My question is that the attempt has been there for quite a long time. The Birlas were aspiring for an integrated steel plant, on the question of prestige or what, I do not know. Now when he talks about electric steel furnaces. ..

MR. CHAIRMAN : Mr. Chatterjee, if you want an answer, you have to stop now. Otherwise the question Hour will be over.

SHRI NIRMAL CHATTERJEE : Okay, Sir. I would like to know whether proposals from MRTP companies are also being considered for integrated steel plants in the private sector.

SHRI K. G. PANT : Sir, some composite units have been allowed, but these are smaller ones. These are not big integrated steel plants.

MR; CHAIRMAN : Mini-steel plants.

SHRI K. C. PANT : Mini-steel plants of a slightly larger capacity. The only integrated steel plant in line with the public sector steel plants is the Tata steel plant. The others are very much smaller. If my friend gives me notice as to which particular one he is reffering to, I shall find out the position.

MR. CHAIRMAN : Question Hour is over.

## WRITTEN ANSWER TO QUESTIONS

### Visit by Minister of Agriculture to drought-hit Areas of Karnataka

*$8_5$. SHRI F. M. KHAN : Will the Minister of AGRICULTURE be pleased to state :

(a) whether it is a fact that he recently visited the drought affect areas of Karnataka ;

(b) whether Government propose to supply fit:, foodgrains to Karnataka-as a drought relief measure ; and

(c) what quantum of relief has been released to Karntaaka so far ?

THE MINISTER OF AGRICULTURE (SHRI BUTA SINGH): (a) Yes, Sir.

(b) 77,100 tonnes of foodgrains have been allocated, free of cost, to the State Government of Karnataka for distribution at subsidised rates amongst the workers engaged in NRE P/RLEGP works. In addition, the States Government has also been told that they can distribute foodsgains at subsidised rates amongst the workers engaged in drought relief works and that the subsidy and cost of handling at the reate of Rs. 200/- per tonnes will be borne by the Central' Governemnt.